

San Juan County Code (SJCC) 18.40.275

Vacation Rental Permit Cap Draft Ordinance

San Juan County Council

April 5, 2022

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Department of Community Development

Purpose

To review options with the County Council for an:

ORDINANCE ESTABLISHING A CAP ON PERMITS FOR VACATION RENTAL OF RESIDENCES OR ACCESSORY DWELLING UNITS (ADUS); AMENDING SAN JUAN COUNTY CODE (SJCC) 18.40.275

Outline

1. Background
2. Options for Consideration
3. Implications
4. Next Steps

Background

- Vacation rental permit cap project initiated January 2021
 - Moratorium went into effect
- County Council provided guidance in June 2021 regarding a possible cap.
- The Planning Commission considered the cap on July 16, August 20, and September 17 and at the October 15, 2021, hearing.
- Moratorium renewed in December 2021. Expires July 13, 2022.
- County Council reviewed draft ordinance reflecting the Planning Commission recommendation on March 8, 2022.

Options for Consideration

The County Council discussed multiple options for setting a cap at the March 8 meeting

Options include setting a vacation rental permit cap based on the number of permits that were:

- A. Compliant on July 31, 2021
- B. Active and Compliant on July 31, 2021
- C. Originally Proposed by Council
- D. Compliant at the Date of Adoption

A. Compliant on July 31, 2021

Planning Commission Recommendation

Significance: Number of issued permits compliant with the VR code around the time the Planning Commission began discussing caps

- Countywide: 650
- Orcas: 334
- San Juan: 229
- Lopez: 85
- All other islands: 2

B. Active and Compliant on July 31, 2021

Significance: Number of issued permits actively renting and compliant with the VR code. Excludes permits that self-reported being “inactive.”

- Countywide: 413
- Orcas: 211
- San Juan: 140
- Lopez: 60
- All other islands: 2

C. Caps originally proposed by Council

Significance: Permit caps the Council initially had in mind.

- Countywide: 1,200
- Orcas: 500
- San Juan: similar to Orcas
- Lopez: >130, <Orcas/SJI
- All other islands: undetermined

D. Compliant at the Date of Adoption

Significance: Limits permits to number issued when new ordinance is adopted.

Note: *these numbers will increase between now and the time of adoption*

- Countywide: 1042
- Orcas: 508
- San Juan: 392
- Lopez: 134
- All other islands: 8

Direct Implications

- Caps at or below current numbers will halt acceptance of new VR permit applications
- No new permits until enough existing permits:
 - Are abandoned
 - Expire
 - Are revoked due to noncompliance
- Lower cap → longer time until there are new permits issued
- A system for allotting new permits should be developed (i.e. annual lottery system)

Next Steps for VR Permit Cap

Three reviews of draft ordinance prior to adoption.

Today, April 5, 2022: 2nd review

Next steps:

1. Council reviews the draft ordinance a third time and sets a public hearing on the proposed vacation rental permit cap
 - April 19, 2022
2. Council holds a public hearing and adopts a code amendment ordinance
 - May 17, 2022

Public Comments

Email:

VRComments@sanjuanco.com

Mail:

Department of Community Development
PO Box 947
Friday Harbor WA 98250

View all comments on the project
webpage:

<https://www.sanjuanco.com/1826/>

Thank You